Monday, February 16, 1920

A called meeting of the Finance Committee was held in Room 610 on Monday, February 16, at 10 a.m. The following members were present:

Miss Annie Hyatt, Chairman
Mrs. James A. Webb, Jr.
Miss V. May White
Miss Mary W. Torrence

The Chairman, Miss Hyatt, presented for consideration two letters dated February 10, 1920 from the Assistant Treasurer of the Board of Home Missions reporting the receipt of the twenty-five thousand dollar ($25,000.) legacy from the Margaret Olivia Sage Estate, and the subsequent investment of the fund.(see Exhibit "A".). The Chairman and Treasurer were authorized to write the Assistant Treasurer of the Board of Home Missions stating the Committee's attitude with reference to the disposition of this fund, and to remit check for the sum advanced by the Board of Home Missions for accrued interest on the securities purchased (see Exhibit "B").

Legacy from Sage Estate

The Treasurer presented a letter and enclosures from the Assistant Treasurer of the Board of Home Missions regarding the settlement of the Ermina A. Fultman Estate. It was voted to accept settlement on the basis suggested by the counsel of the Board of Home Missions, namely, that Wooster University shall receive one-third of the residuary estate, approximated at $3700., and that the five Boards of the Church, of which the Woman's Board of Home Missions is one, shall share equally in the remaining two-thirds.

Ermina A. Fultman Estate

The question of providing a cash fund for emergency use in the event of a general financial stringency was discussed, and it was decided to postpone such action as conditions seemed to be improving.

Emergency Cash

City of Bellingham Bonds

The Treasurer presented a communication from the Union National Bank of Seattle, Washington, inviting the Woman's Board of Home Missions as owner of fourteen City of Bellingham, Washington, $100.- 7% Bonds, which have been in default for two years, to join with them in a suit against the Bellingham Bay Improvement Company in order to compel them to pay the assessments against the bonds in question, which is the reason given by the City of Bellingham for non-payment of the bonds. The Treasurer was authorized to take up this matter with Mr. Marvin , the Board's counsel, and to act upon his advice.

Contract of Mrs. Alice Spencer Geddes Lloyd

The Treasurer asked for instructions in connection with the non-payment of four notes of $25.- each, given by Mrs. Alice Spencer Geddes Lloyd on account of the purchase of a cottage at Ives, Kentucky, which account cannot in its present condition be carried longer on the books of the Board. The Committee instructed the Treasurer to write Mrs. Lloyd again requesting immediate payment, and follow the letter by a telegram if a reply should not be received within a reasonable time.

Sale of Securities

The Treasurer reported the sale on January 8 by the Board's broker, Mr. Halsey of Halsey & Hudnut, of 7 shares of Cincinnati, Indianapolis and Western Common Stock at $2.- each, and 7 shares of Cincinnati, Indianapolis and Western Preferred Stock at $5.50 each, less tax, transfer, and commission charges.

Bank Merger

The Treasurer informed the Committee of the merger of the Merchants National Bank with the Bank of the Manhattan Company, the two depositaries used at the present time for the Board's funds. It was the consensus of opinion of the Committee that when the merger becomes effective a second bank or trust company should be selected as a depositary for some part of the funds.

Insurance

The Committee authorized the placing of an adequate amount of office hold-up, messenger robbery, and safe insurance to protect the funds and securities at various times in the Treasury office or enroute to the bank, or broker's office.

Security Bond

The desirability of a schedule bond to cover the administrative officers, clerks, and field executives was discussed and referred back to the Treasury office for further information.

There being no further business the meeting adjourned.

Mary J. Torrence
Secretary

E X H I B I T "A"

February 10, 1920

Estate of Margaret Olivia Sage.

Miss Mary W. Torrence,
Building.

Dear Miss Torrence:-

We recently received from the executors of the above estate the sum of $23,750.00, on account of the bequest of $25,000.00, less $1,250.00 retained by the executors with which to meet tax assessments against this specific legacy, which first named sum, by direction of our Finance Committee, has been invested in the following securities:

	Sage Fund Securities		Cost	Interest
12	Louisville & Nashville R.R. Co., Unified, 50 year, 4% Gold Bonds due 7/1/1940 at 80-3/4	$9,690.00		
	plus 1/8 of 1% commission	15.00	$9,705.00	
	Interest accrued on five bonds Jan. 1 to Jan. 31 (31 days)	17.22		
	on 7 Bonds Jan. 1 to Feb. 2. (32 days)	24.89		$42.11
	and			
15	Pennsylvania R.R. Co. Gen'l Mtge. 5% Gold Bonds, Series B due 12/1/1968 at 90 plus	$13,500.00		
	1/8 of 1% commission	18.75	13,518.75	
	Interest accrued Dec. 1 to Jan. 31 (61 days)			127.08
			$23,223.75	$169.19
	United States Liberty 4th - 4 1/4	452.80		
	plus 1/8 of 1% commission	.50	453.30	
	Interest accrued Oct. 15 to 2/9/20 - (115 days.)			6.79
			$23,677.05	$175.98

I am giving you this information now, that you may make such entries in your records as desired.

It is proposed, when the amicable suit, which I understand is to be instituted in the Supreme Court for the purpose of giving this Board legal authority for turning this fund over to the Woman's Board is finished, that these specific securities will be turned over to you.

Yours sincerely,

SIGNED: Varian Banks

Assistant Treasurer

VB/EK

E X H I B I T "A"

February 10, 1920

Estate of Margaret Olivia Sage

Miss Mary W. Torrence,

Building

Dear Miss Torrence:-

In connection with my letter to you of even date, you will note that the sum of $23,677.05 has been invested, and the remainder of the fund, ($23,750.00) amounting to $72.95, has been placed in the trust company.

In the meantime will you submit the following suggestion to your Finance Committee, namely, that you authorize me to deduct from the interest, payable June first next, on the Pennsylvania R.R. Gen'l Mtge. Bonds, an amount sufficient, when added to the $72.95 now in the trust company, to permit of the purchase of a $100.00 Liberty Loan. This arrangement would provide for the investment of every penny of the fund and would require something like $20.00 of the income with which to complete the final investment.

Let me have your reaction on this suggestion at your convenience.

Yours sincerely,

SIGNED: Varian Banks

VB/EK

Assistant Treasurer

E X H I B I T "B"

February 18, 1920

Estate of Margaret Olivia Sage

Mr. Varian Banks, Asst. Treasurer
Board of Home Missions
Building

My dear Mr. Banks:

Enclosed is check for $175.98, the amount advanced by your Board for accrued interest on the securities purchased for the account of the Woman's Board, and representing the investment of the legacy from the Sage Estate.

The Finance Committee of the Woman's Board instructs me to say that they were surprised to learn from your letters of February 10, 1920 that the fund had been invested, as they had not yet been notified by you of its receipt or that there was any intention of investing this sum before the courts had rendered a decision in the amicable suit about to be instituted, and with the conditions of which you are familiar.

Regarding the uninvested balance of $72.95 on deposit with the trust company, if by June 1 the courts have not rendered a decision in the above mentioned suit, our Committee will take action in ample time to permit the purchase by you of a Liberty Bond, as proposed in your letter.

Sincerely yours,

MWT-FH

Treasurer

March 23, 1920

A called meeting of the Finance Committee was held on Tuesday, March 23, at 9:45 a. m., with the following members present:

Miss Annie Hyatt, Chairman
Mrs. D. E. Waid
Mrs. James A. Webb, Jr.
Miss Mary W. Torrence

The Chairman stated that the meeting had been called to discuss the necessary adjustment of the accounts due to the sale of certain securities held in the Permanent and Annuity Funds, as authorized by the Committee in its action of June 4, 1919.

Adjustment of accounts due to sale of securities

The Treasurer reported a balance of $31,957.67 in the Legacy Reserve Fund after the deduction of $100,000.- authorized by the Board on September 16, 1919 for the rehabilitation of Menaul.

It was voted that the Committee recommend to the Board that the Permanent and Annuity Funds be reimbursed to the amount of $12,693.15 to cover the loss sustained through the sales above mentioned from the balance in the Legacy Reserve Fund.

Forsythe Memorial School overdraft

It was also voted that in order that the overdraft for the building of the Forsythe Memorial School, now reduced to $8,830.33, need no longer be carried on the books of the Board, the Committee recommend to the Board that this amount be taken from the Legacy Reserve Fund to cover the overdraft.

As there was no further business the meeting adjourned.

Mary W. Torrence
Secretary

In accordance with the action of the Woman's Board, taken on May 11, 1920, the special committee created to formulate and recommend to the Board a policy concerning the holding and disposition of the funds to be received from the Sage Estate met on May 12 at 10 a.m. in Room 610. The following were present:

Miss Annie Hyatt, Chairman
Mrs. F. S. Bennett
Mrs. James A. Webb, Jr.
Mrs. D. E. Waid
Miss V. May White
Miss Jessie Ogg
Miss Lucy H. Dawson
Miss Mary W. Torrence

The meeting was opened with prayer by Miss White.

The Chairman called upon each member present to give suggestions embodying her views concerning the disposition of the funds to be received from the Estate of Margaret Olivia Sage, which were in brief as follows:

Mrs. Webb recommended that a goodly portion be kept invested, the income to be used to meet emergencies, sudden calls from the field for whatever needs seem imperative and which it seems wise to meet, such a fund to be used to strengthen and develop the work wherever it seems best. She suggested that probably fifty per cent. of the total might be invested and the income used in this way. She would not care to call this a permanent fund for all time, but a fund which would give an income for the next five years to meet calls for which the Board could not otherwise provide. She would like to see the other portion of the fund used for the immediate strengthening and developing of the work.

Mrs. Bennett recommended that a certain sum, probably one-half million, be laid aside as a fund, the income from which should be definitely allocated to certain objects. She had long wished that all money given

by societies could go direct to the field. She thought it might be wise to devote a sufficient amount of the income from this fund so that this amount, together with tuition from the field, would cover the administrative expenses. Mrs. Bennett suggested another fund of $200,000.- to be invested, which might be known as a supplementary building fund, the interest on this fund to be voted to complete buildings. She advocated setting aside a fund of about $50,000.-, the interest on which could be used for pensions. She would like to see $100,000.- for a school in Eastern Oklahoma, and $100,000.- for Tennessee, as the Board had committed itself to these projects, and with this large sum of money coming to it thought that some of this amount should be put into these undertakings. She would like to see buildings at Allison-James; would like Wasatch to have a good building; Tucson an administrative building; the Home School building at Asheville finished, and Cuba to have at least one new building. She would also like to see some part of the fund devoted to Christian Social Service.

Miss Ogg hoped to see some permanent buildings put up out of the fund, and a part invested so that the income could be devoted to special objects.

Mrs. Waid suggested the division of the fund into five parts:

One part for a permanent fund.
One part for permanent improvements.
One part for experimental work, possibly something in the way of Christian Social Service.
One part definitely set aside to be spent within five years.
One part to be spent within ten years.

Miss White recommended that $1,000,000.- be spent, and that whatever portion of the fund remained be kept in a permanent fund. She would like to see one hundred to one hundred and fifty thousand dollars ($100,000.- to $150,000.) used for Dwight, fifty to seventy-five thousand dollars ($50,000.- to $75,000.) for a school in Tennessee, the other part of the one million to be used as the needs of the field should demand.

Miss Hyatt had not thought of investing any part of this money in the Permanent Fund, but approved the building suggestions asmade by the other members, and mentioned the most imperative needs of the field as recommended by the School Department.

After a full discussion the following recommendations were presented:

I. 1. That $500,000.- from the Sage Legacy be placed in the Permanent Fund of the Woman's Board; that from the income on this $500,000.- there be allocated annually

(1) $2500.- for payment of pensions as designated by the Board.
(2) $3,750.- for payment of Sabbatical leaves as designated by the Board.
(3) $5,000.- for Upkeep of Sage Memorial Building
(4) All remainder of income of $500,000., plus amounts in (1) and (2) above not expended in current year to be applied to Operating Budget of Woman's Board.
(5) Any unexpended amount of (3) above to be carried forward on some account.

2. Income from above $500,000.- to be reallocated only by unanimous vote of the Board.

II. That the Woman's Board set aside the sum of $500,000.- to be expended during the next five years; that from this sum shall be taken the funds necessary for the schools promised in Tennessee and Eastern Oklahoma. That the whole matter of further building or rehabilitation plans be the subject of most careful study in such manner as the Board may decide, before any other recommendations be made as to further expenditures.

III. That the balance of the Sage Legacy above $1,000,000., designated in recommendations I and II above be placed in the Legacy Reserve Fund. That from this fund a necessary amount be set apart for a suitable memorial building to the donor, Mrs. Russell Sage, further recommendation regarding amount and allocation to be brought to the Board at a later date.

It was voted that these recommendations be presented to the Board at a special meeting to be called on May 18 at 11:30 a.m.

Mary N. Torrence
Secretary

Wednesday, May 12, 1920

A called meeting of the Finance Committee was held in Room 610 on May 12, 1920 at 1 p.m. The following members were present:

Miss Annie Hyatt, Chairman
Mrs. F. S. Bennett
Mrs. James A. Webb, Jr.
Mrs. D. E. Waid
Miss V. May White
Miss Lucy H. Dawson
Miss Mary W. Torrence

The Treasurer presented the request of the Board of Home Missions that the Woman's Board sign a receipt which includes a refunding agreement similar to the receipt to be signed by the Board of Home Missions for the executors of the Sage Estate, to the end that the Board of Home Missions be held blameless for any loss, damage, or expense incurred in case of any refunding procedure. It was, therefore, voted

WHEREAS, in the matter of payments from the Estate of Margaret Olivia Sage to the Board of Home Missions for the use of the Woman's Board, the first payment is to be made on May 20, 1920, and

WHEREAS, the Board of Home Missions is compelled to sign a refunding bond to the executors of the estate, holding them harmless in case of any readjustment to be made later, and

WHEREAS, the Board of Home Missions desires to be protected in the matter of turning over the cash and securities in re this first payment to the Woman's Board, therefore, be it

RESOLVED: that the Treasurer be and she hereby is authorized for and in the name of the Woman's Board to sign such documents and to attach the seal of the Board thereto. The documents to be signed show the securities set forth in schedule form to be attached and made part of the receipt, which securities are accepted by the Board at the value set forth therein in all particulars, as equivalent to a cash payment of $399,693.75. This first payment also includes cash, $600,306.25, a total payment of $1,000,000. In consideration of such payment the Woman's Board hereby agrees with the said Board of Home Missions

(a) If the probate of said will be revoked or if the said will be declared void in whole or in part as to said legacy or any part thereof, or if it appears upon an accounting or otherwise that it has received any amount which it would not have been entitled to receive upon

a final settlement of the executors' accounts, to repay to the said Board of Home Missions on demand whatever amount it has received to which it may not have been entitled under the provisions of the said will;

(b) To indemnify and to save harmless the said Board of Home Missions for all loss, damage, or expense in any way incurred by them by reason of this advance payment.

Following the action of the Board at its meeting on May 11, 1920 in designating the Guaranty Trust Company as a depositary for the funds to be received from the Sage Estate, it was voted that of the $600,306.25 to be turned over in cash on May 20, 1920, $100,306.25 be deposited in the Guaranty Trust Company on a drawing account, to be invested later, and that $500,000.- be immediately invested in United States Treasury Certificates of Indebtedness, to bear interest at the rate of 5 1/4% or better.

The Treasurer brought to the Committee a request from Mr. W. J. McMillen that his cashier's account of one thousand dollars ($1,000.) be transferred for convenience from the Bank of the Manhattan Company to the Corn Exchange Bank at 156 Fifth Avenue. Voted that this transfer be approved.

There being no further bsuiness the meeting adjourned.

Mary M. Torrence
Secretary

Tuesday, June 1, 1920

A brief meeting of the Finance Committee was held on Tuesday, June 1, at 1 p.m. The following members were present:

Miss Annie Hyatt, Chairman
Mrs. D. Everett Waid
Miss V. May White
Miss Mary W. Torrence

The Treasurer presented letters from Mr. Marvin, the Board's counsel, enclosing communications from the Union National Bank of Seattle, the other plaintiff in the suit against the Bellingham Bay Improvement Company to recover the value of the Bellingham City Bonds held by them and the Woman's Board. The proposal for settlement made by the Union National Bank of Seattle was as follows: That the Board agree to accept the principal amount of the bonds and waive the accrued interest; cost of attorney's fee to be paid from the amount received. It was voted that the Committee agree that this proposal should be made through the Board's attorney.

There being no further business the meeting adjourned.

Mary W. Torrence
Secretary

Tuesday, October 19, 1920

A called meeting of the Finance Committee was held on Tuesday, October 19, at 12 m. with the following members present:

Miss Annie Hyatt, Chairman
Mrs. F. S. Bennett
Mrs. D. Everett Waid
Miss Mary W. Torrence

Acceptance of Bond for Annuity Fund

The first matter considered was the acceptance of a one thousand dollar ($1000.) Province of Nova Scotia Bond 5's of '26 from Mrs. Anna L. Evans for the Annuity Fund. As the present market price of this bond ranged between 83 and 86 it was deemed inadvisible to accept it at par, as Mrs. Evans wished, and the Treasurer was instructed to make Mrs. Evans the following proposition: to accept this bond at 90, writing an Annuity agreement for $900. at the rate of interest to which Mrs. Evans' present age entitles her, and at maturity, if the bond is paid in full and Mrs. Evans in still living, to write an Annuity bond for an additional one hundred dollars ($100.) carrying the rate of interest to which Mrs. Evans will be entitled at that time.

Investment of cash from Margaret Olivia Sage Estate

The Treasurer reported that the cash received from the Estate of Margaret Olivia Sage on June 21, 1920 had been invested under instructions from the Finance Committee as follows: $525,000. was invested in Certificates of Indebtedness, $250,000. of this amount in Certificates bearing 4 3/4% interest, bought on a 5 3/4 basis, to mature December 12, 1920. $30,000. in United States Certificates of Indebtedness, 5 1/4%, due October 15, 1920. $245,000. in United States Certificates of Indebtedness, 6%, due June 15, 1921. $25,000.- in Anglo French 5's due October 15, 1920. The remaining $50,000. was placed on deposit with the Guaranty Trust Company for the purpose of meeting payments on current building operations, and this deposit was to

bear 3% as long as the amount remained $50,000. or over.

On August 26, 1920 $25000. of the above certificates, due December 15, 1920, were sold and the proceeds invested in United Kingdom Bonds 5 1/2's of '21, this transaction realizing a profit for the Board of approximately $800.

The Treasurer asked the Committee to ratify the following transactions:

Ratification of Reinvestments

(a) The reinvestment of $67,000. of Permanent Funds in United States Certificates of Indebtedness at 4 1/2%, which matured September 15, 1920 and was immediately placed in United States Certificates of Indebtedness, 6%, dated September 15, 1920 and due September 15, 1921.

(b) The reinvestment of $25,000. Anglo French 5's, which matured on October 15, 1920, in United States Certificates of 5 3/4%, due March 15, 1921.

VOTED that these reinvestments be approved.

Sale of Securities Received from the Sage Estate

The Chairman, Miss Hyatt, brought before the Committee the question of the advisability of selling some of the securities turned over by the Margaret Olivia Sage Estate and reinvesting in other issues. Letters of advice concerning the disposition of these securities were read from the Board's broker, Mr. Alexander M. Hudnut of Halsey & Hudnut, and from the Bankers Trust Company to the Woman's Board of Foreign Missions, who have received the same securities from the Sage Estate as the Woman's Board of Home Missions, this letter being loaned to the Woman's Board by Mrs. Webb. After comparison and discussion it was VOTED that the Committee recommend to the Board that all the stocks received with the exception of the Bankers Trust Company and the Importers and Traders National Bank stock be delivered to Mr. Hudnut to be sold at the market in all cases which assured a profit to the Board, and that the bonds re-

ceived from the same estate, with the exception of the Erie Prior Lien 4's of '96, the Baltimore & Ohio Prior Lien 3 1/2's of '25 and the New York Telephone Co. 1st Gen'l. Mtge. 4 1/2's of '39 be also turned over to Mr. Hudnut to be disposed of under the same conditions.

The Treasurer brought to the attention of the Committee propositions of the Guaranty Trust Company and the Bankers Trust Company for the care and supervision of securities owned by the Board, mentioning some of the advantages accruing therefrom. The Committee, after discussion, instructed the Treasurer to send to each of these companies the complete list of the Board's securities and ask for a definite proposal from each.

Care of Securities

A letter from the Lawyers Mortgage Company was presented in which application was made for the renewal of mortgage #8758 for $4250., covering premises 1827 - 85 Street, Brooklyn, maturing November 1, 1920, said renewal to run for three years at 5 1/2% interest. It was VOTED that the application for the renewal of this mortgage be accepted.

Renewal of Mortgage

The setting aside of a sum for the Florence Stephenson Scholarship in the Home School had been referred back to the Finance Committee by the Board on May 11, 1920. The Treasurer stated that part of the cash now available in the Legacy Reserve Fund could be voted for this prupose, and it was, therefore, MOVED and CARRIED that the Committee recommend to the Board that $2000. from the Legacy Reserve Fund be set aside as the principal amount, the income of which is to provide a scholarship in the Home School named "The Florence Stephenson Scholarship".

Florence Stephenson Scholarship in Home School

The report of the auditors, Messrs. Price, Waterhouse & Company, for the five months ending September 1, 1920 was presented and accepted by the Committee.

Auditors' Report

There being no further business the meeting adjourned.

Mary M. Torrence
Secretary